

Meeting Minutes
ZEV Outreach Stakeholder Meeting
January 31, 2002

I. Attendees:

In person:	Analisa Bevan	ARB
	Lisa Kasper	ARB
	Ed LaRocque	Toyota
	Lisa Mirisola	SCAQMD
	Robert Saunders	Southern California Edison
	Ben Ovshinsky	Ovonics Batteries
	Larry Irwin	SCAQMD
	Wendy James	A Better World Group
	Mariko Marianes	LA Dept. of Water and Power
Teleconference:	Kevin Collins	Advertising Rising
	Pete Hardigan	Ford
	Kimberly Leal	Auto Business Consulting
	Greg Hanssen	EV Drivers Coalition
	Stan Cowen	Ventura County APCD

II. Overview

The meeting started with an overview of the last ZEV Outreach Stakeholder Meeting held on December 10, 2001.

III. Toyota RAV4 EV Launch

Since the last stakeholder meeting, Toyota announced that the RAV4 EV was going to be offered to retail customers. Ed LaRocque (ed_la_rocque@toyota.com) provided an overview of Toyota's plans for this launch. Toyota is projecting the production of about 300 RAV4 EVs in MY 2002.

The official Launch date is February 1, 2002. There are going to be 25 dealers offering the RAV4 EV in the major markets. The dealer launch meetings along with the sale and service training sessions are complete. Advertising will start next week with print, newspapers, magazines, billboards and kiosks. Ed didn't have a list of magazines but mentioned they were regional magazines such as Sunset Magazine. He'll provide a list at the next meeting. In addition, radio ads will begin February 15 and will be keyed to drive time and will focus on HOV lane access. Finally, they are looking into TV advertising for March or April however this has not been approved yet.

The RAV4 will be available for purchase online or at selected dealerships the same way that the Prius was sold. They have created an interactive website experience for the user that will be working on February 1st or 5th. The direct link

to the RAV4 EV is:

http://RAV4EV.toyota.com/consumer/rav4ev_0_home/rav_home.htm

Pricing: Toyota is offering the RAV4 EV for purchase for \$42,000 MSRP meaning after incentives and tax credit the price is \$30,000. They are also offering several lease options.

3 years for \$579/month

4 years for \$516/month

5 years for \$479/month

\$1000 down payment

The consumer is responsible for applying for the State's \$9,000 ZEV Incentive Program. This will bring the price down to around \$350/month, which is comparable to the Prius. Toyota will go after the \$3000 fed tax incentive for the lease, which will be passed on to the consumer. For the purchase, the customer must apply for the federal tax incentive.

The charger price will be included in the lease price and must be returned to Toyota at the end of the lease term. If the vehicle is purchased, the customer will get the charger and be able to keep it. They are working with Clean Fuels Connection on the infrastructure side.

The battery warranty is 5 years or 60,000 miles. 5 yrs for the drivetrain. Roadside assistance is also included. The replacement cost for the battery is \$30,000.

Each participating Dealer will have a demo on site for interested customers to test drive. The real world mileage is advertised as 80 to 100 miles although the vehicle is rated at 120 miles. Most people should expect 85 to 95 miles per charge.

Toyota has done extensive training for its dealers and salespeople. They have also provided the tools to the dealerships and regional trainers to train new sales associates over time.

Greg Hanssen suggested a Consumer EV Loan program. Perhaps Toyota could survey potential customers on their website to find out what they would be willing to pay to have a 1 to 2 week demo (with temp charging).

III. Dealer Brochure

ARB staff is preparing a new dealer brochure and wanted to get the stakeholders input on this brochure. Comments included:

- ? Getting the sales managers or owners of the dealership on board is critical
 - support will trickle down from there.

- ? The brochure should give the message that these vehicles are inevitable.
- ? The brochure should have a marketing focus.
- ? State that "Bad air is Bad", then move on.
- ? Make background section very graphic or move it to the back
- ? Give examples of different vehicle types
- ? Include testimonials from users
- ? Combine consumer benefits and incentives, but add something that addresses the higher costs
- ? Add something that explains how to sell these cars
- ? South Coast program is cleancarchoices.com

It was also suggested that we develop a very short glossy half page brochure for the incentive program for dealerships.

IV. Brainstorming of Messages

Next, the stakeholders did some brainstorming of possible messages. Ben Ovshinsky started with some suggested themes. They included 1) electric Drive is the primary message to get across 2) energy independence

Wendy James of A Better World Group suggested that we say something about performance and that ZEVs have no compromises. Also, that we should push consumer benefits and to show people what is better about electric drive. Kevin Collins of Advertising Rising suggested that with some ZEVs such as CEVs and NEVs – there are Performance compromises and that in these instances we have to change expectations.

We all agreed behavior change is hard to do. We need to provide vision for the future – what's coming – plug HEVs, fuel cells and focus on the positive. Show that these technologies and changes are inevitable. Show people that "You as an individual can make a choice for clean air." Encourage support and start a movement.

Below are some of the messages we came up with:

- ? **Promote Electric Drive Technology**
- ? **Start a Movement**
- ? **Create Energy Independence**
- ? **Driving the Future**
- ? **Make a Difference with Your Vehicle Choice**
- ? **Make a Difference in the Environment, Energy Security, the Future**
- ? **The Natural EVolution of Automotive Technology**
- ? **Awareness of All the Technologies**
- ? **The Power to Make a Choice (Empowerment)**
- ? **It's Stylish, Cool**

V. EVENTS for 2002

Next the group discussed some events to attend and host in 2002. Some of the usual locations included:

- ? EVAA, ETI conference in Ft Lauderdale Dec. 9-12
- ? Clean Cities – Oklahoma City in May
- ? LA Auto Show – have a better presence, more planning, ride and drive opportunities
- ? San Francisco Auto Show

Wendy James of The Better World Group questioned some of these events because they are just “preaching to the choir.” This is true, however our presence is important at some of the standard events. Some other events we could penetrate and have some new audiences include:

- ? State Fair
- ? Late April California Motor Car Dealers Association in the Desert
- ? National Association of Fleet Administrators
- ? County Fairs
- ? Health & Harmony fair in Santa Rosa, June 8-9
- ? Sol Feast in Hopland, Mendocino
- ? Earthweek – partnerships with the Parks Division (will Honda announce availability of the Civic Hybrid during earthweek?)
- ? National Parks events for Earthweek?
- ? Destination Imagination State Finals
- ? Science Teachers Conference in San Diego
- ? Drivers Education Teachers Conference? – check with DMV?
- ? Add questions about clean air vehicles in the driver's test?
- ? Route 66 Rendezvous
- ? Black Business Expo
- ? Chinese Moon Festival
- ? Latino Business Expo
- ? Each of these attracts small business owners – EJ/Carl Moyer link

It was suggested that having a mascot and/or putting together a video to play at some of these events would be a beneficial.

Some events to host:

- ? Quarterly Ride and Drive at Districts or ARB
- ? Edison looking at Earth Day events to expose EVs to employees and customers
- ? Traveling Road-show for all county fairs – Starwagon type display
- ? Work with Air Districts to enhance their current efforts at local fairs
- ? ZEvent 2002

ZEVent 2002:

- ? Summer “we’re serious this time” – Drive to Independence
- ? Either rotate the location between Southern California and Northern California or do multiple locations
- ? Consumer based event
- ? Energy independence
- ? 4th of July – Rose Bowl
- ? Fireworks by the Beach
- ? Get into Parades – followed by a convergence at a single site
- ? Participate in parades across California
- ? Work with Districts and Clean Cities to find local parades
- ? Should be a sustained approach – follow-up with supported activities

There were some questions for Ford and DC about their Marketing plans?

- ? Ford Think City – still available, no date given regarding new model year. A dealer in Ventura said that the new Think City would be available in September with lead acid batteries, higher top speed, a/c, and longer range.
- ? Ford Ranger to be discontinued – although hinged on USPS decision

VI. Creative Strategy - This is provided on the ZEV Outreach Stakeholder web site and comments are appreciated.

VII. Next Meeting

The next ZEV Outreach meeting will be on March 14 in El Monte from 9:00 AM to 12:00 PM. This is the day following Gayle’s Infrastructure meeting. A conference call may be set up before the meeting to discuss ZEVent 2002 details.

VIII. Action Items

- ? Outline of ZEVent 2002 Draft
- ? Post Creative Strategy developed by Kevin Collins on Stakeholder web site
- ? Post draft Dealer Brochure for input.
- ? Schedule meeting on March 14